

# **HWD**

## **Healthcare for Workers with Disabilities**

The Washington State Medicaid Buy-In  
The Ticket to Work and Work Incentives Improvement Act of 1999

Stephen Kozak  
HWD Program Manager

David Hanig  
Section Manager

Eligibility Policy and Community  
Education (EPACE) Section  
Medical Assistance Administration

# Ticket to Work



Ticket to Work Work Incentives  
Improvement Act (TWWIIA) of 1999  
or Public Law 106-170

***To support the competitive employment  
of people with disabilities  
who want to work***



# Ticket to Work

Ticket to Work Work Incentives  
Improvement Act (TWWIIA) of 1999  
or Public Law 106-170



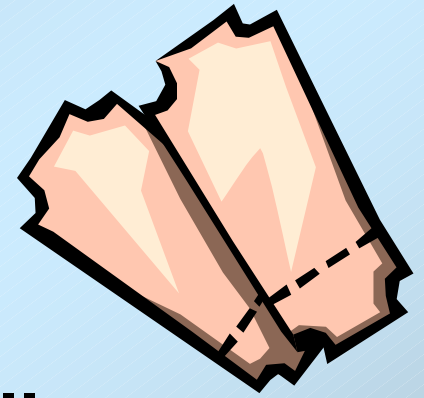
What's New

**What benefits does *Ticket to Work* make available to people with disabilities?**

Our focus is on these two sections of the Act:

- ◆ **Title I - Ticket to Work and Self Sufficiency Program**
  - ⇒ Social Security Administration
- ◆ **Title II - Expanded Availability of Health Care Services**
  - ⇒ Centers for Medicare and Medicaid Services

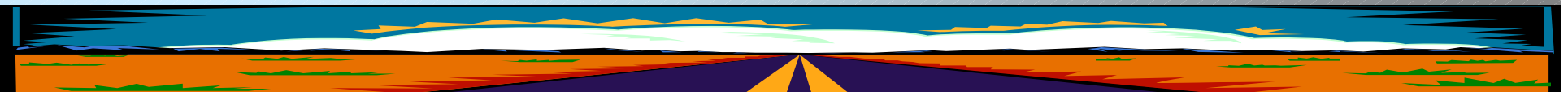
# Ticket to Work



**Title I - People receiving SSI/SSDI will receive Ticket - *voluntary participation***

➤ **DVR or private employment network:**

- ◆ **To exercise personal choice (service provider)**
- ◆ **To obtain, regain, or maintain employment (support services)**



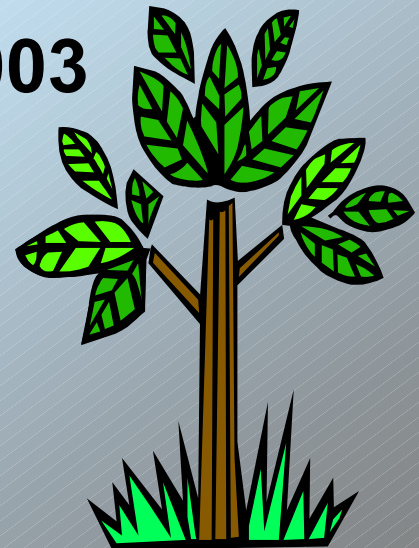
# Ticket to Work



The “Ticket” itself - used to access employment support services

- ◆ *Not available* in WA State until 2003
- ◆ *All* other provisions in effect

**NOW!!**



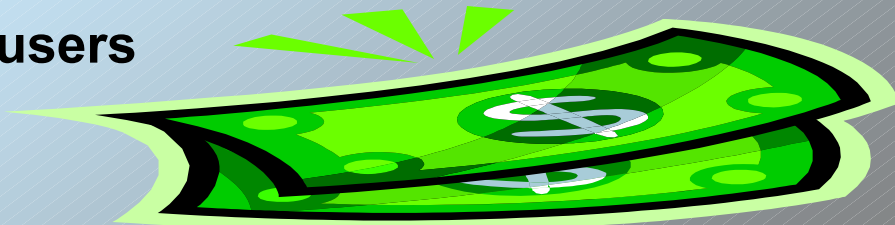
# **Ticket to Work**



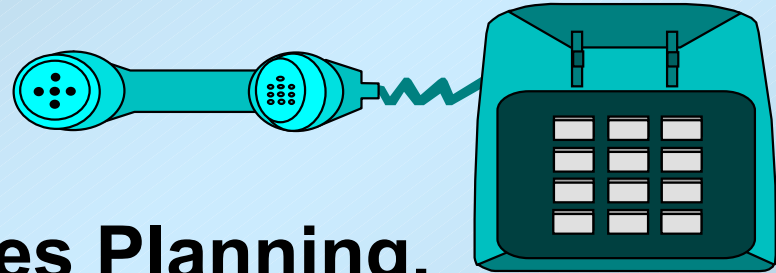
## **Title I - Eliminates work disincentives (reasons not to work)**

- ◆ **Expedited reinstatement of benefits  
(within 60 mos)**
- ◆ **De-link work activity and disability review  
(continuing disability review or CDR)\***

**\*no CDR for Ticket users**



# **Ticket to Work**



## **Title I - Work Incentives Planning, Assistance and Outreach**

**1-866-497-9443 (Voice) or 1-877-846-0755 (TTY)**

*All counties except King and Kitsap*

King - (206) 322-8181; Kitsap - 1-877-561-8181

*SSA at 1-800-772-1213 or <http://www.ssa.gov/work>*



# Ticket to Work

## Title II - Increases Health Care Coverage

### ❖ *Medicare - Part A and Medigap*

- ◆ Med Part A - from 4 to 8 1/2 years
- ◆ Medigap - easy off / on with employer health insurance

### ❖ *Medicaid Buy-In (optional expansion)*

- ◆ Basic Coverage Group
- ◆ Medical Improvement Group



***No longer have to choose between healthcare and a job!***



# HWD

## Healthcare for Workers with Disabilities

### Medicaid Buy-In - Implemented in January 2002 as *Healthcare for Workers with Disabilities*

- ◆ Provides Categorically Needy (CN) or CNP  
Scope of Care - full benefit package, including  
Medicaid Personal Care

**CNP Medical ID Card (S08)**

---

**Note:** COPES or CAP services not included

# HWD

Healthcare for Workers with Disabilities



❖ *How does HWD affect my medical, if I receive SSI?*

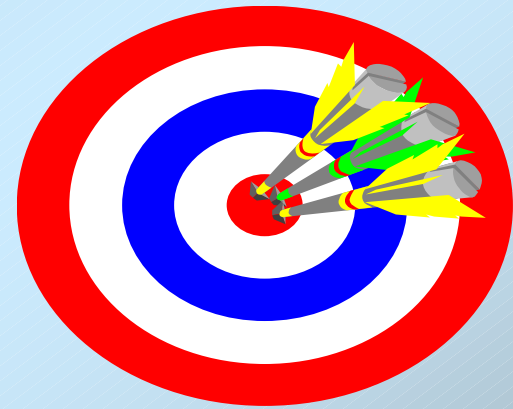
- ◆ No effect, unless you want and are able to:
  - ◆ Earn more than \$20,070 (annual income)  
1619(b) threshold amount
  - ◆ Retain assets of more than \$2,000 or \$3,000  
(single or married)

# HWD

## Healthcare for Workers with Disabilities

### ❖ *Who qualifies?*

- ◆ Washington resident (16 - 64)
- ◆ Net income - 220% of the federal poverty level (FPL)  
“Gross” income - 450% FPL, if no longer receiving unearned income
- ◆ Meet federal disability requirements (SSI/SSDI)
- ◆ Employed full or part time (including self employment)



# HWD

## Healthcare for Workers with Disabilities

❖ *What is the total or “gross” income\* limit?*

◆ *450% FPL, which is:*

◆ \$3,370/mo for a single person

➤ \$40,440/ yr

◆ \$4,545/mo for a married person

➤ \$54,540/ yr

\*see examples



# HWD

## Healthcare for Workers with Disabilities

### ❖ *What is the net income\* limit?*

- ◆ ***220% FPL, which is:***
  - ◆ \$1,647 for a single person
  - ◆ \$2,222 for a married person

- ◆ ***After these deductions:***

- ◆ \$20, \$65 and 1/2 remainder
- ◆ Other amounts (by federal statute, e.g., IRWE\*\*)

\* see examples

\*\*impairment-related work expenses



# HWD

## Healthcare for Workers with Disabilities

### Examples of Determining Net Income

#### *Example 1 -*

\$620 (unearned) and  
\$2,065 (earned)

*Add together:*

- $620 - 20 = 600$  *plus*
- $[2,065 - 65] - 1,000 = 1,000$

**Net income = \$1,600**

#### *Example 2 -*

\$3,369 (earned)

*Deduct 20 and 65, then  
one-half the remainder*

- $3,369 - 85 = 3,284$ ;
- $3,284 - 1,642 = 1,642$

**Net income = \$1,642**

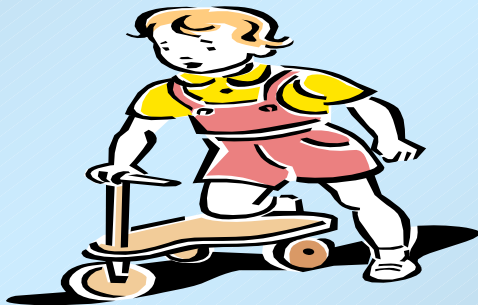


# HWD

## Healthcare for Workers with Disabilities

### ❖ *What income is counted and which standard is used?*

- ◆ If you are single, we use the one-person standard
- ◆ If you have children, we deduct up to 1/2 the federal benefit rate (FBR), which is \$276 for each child in the home





# HWD

## Healthcare for Workers with Disabilities

- ❖ If you are married, we compare your spouse's income to 1/2 FBR, which is \$276
- ❖ If your spouse's income is more than that,
  - ◆ We add both incomes
  - ◆ Use the two-person standard
- ❖ If your spouse's income is less than that,
  - ◆ We count only your income
  - ◆ Use the one-person standard



# HWD

## Healthcare for Workers with Disabilities

### ❖ *What about resources / assets?*

The asset test is waived!

- ◆ Encourage earnings and savings
- ◆ Promote self sufficiency
- ◆ Improve quality of life



# HWD

## Healthcare for Workers with Disabilities

### ❖ *What are the disability requirements?*

- ◆ Same as those for SSI and SSDI\*, except
- ◆ No substantial gainful activity (SGA) test\*\*



\* Inability to engage in SGA because of medical impairment – no less than 12 months

\*\*Effective January 2003 the SGA amount is \$800 per month (\$1,330 for blind)

# HWD

## Healthcare for Workers with Disabilities

- ❖ ***Disability requirement for the Basic Coverage Group***
  - ◆ SSI or SSDI
  - ◆ DDDS\* referral – no SGA test
  
- ❖ ***Disability requirement for the Medical Improvement Group***
  - ◆ Basic Coverage Group first, then DDDS\* -> a “medically determinable impairment”

\*Division of Disability Determination Services



# HWD

## Healthcare for Workers with Disabilities

### ❖ *Definition of Employment for the Basic Coverage Group*

- ◆ Get paid with earnings subject to federal income taxes - taxes taken out of wages\*
- ◆ Self-employed - business license, records, IRS Schedule SE form

\*unless prohibited by law

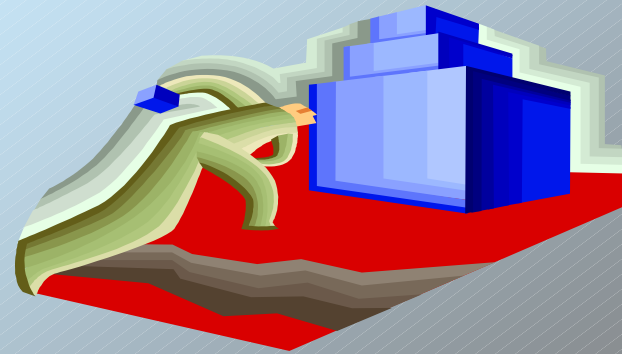
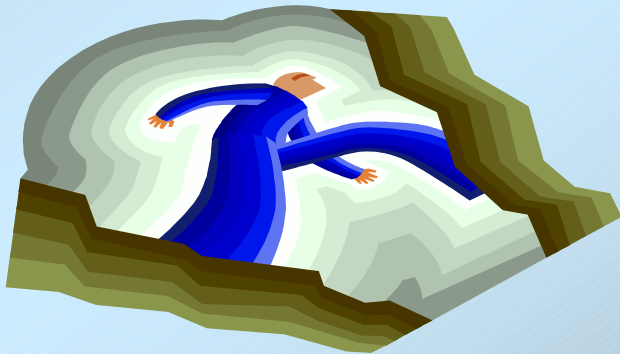


# HWD

## Healthcare for Workers with Disabilities

### ❖ *Definition of Employment for the Medical Improvement Group*

- ◆ Working at least 40 hours per month
- ◆ Earning at least minimum wage

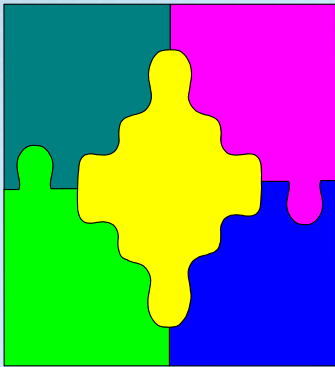




# HWD

## Healthcare for Workers with Disabilities

- ❖ *What if I lose my job after enrolling in the HWD program?*
  - ◆ Can choose to continue enrollment through the 12-month certification period, if:
    - ◆ Your job loss is the result of a health crisis or involuntary dismissal
    - ◆ You intend to return to work after health crisis or continue to look for new job
    - ◆ You continue to pay your monthly premiums





# HWD

## Healthcare for Workers with Disabilities

### ❖ *What monthly premium do I pay for HWD?*

#### ◆ *A total of the following\**



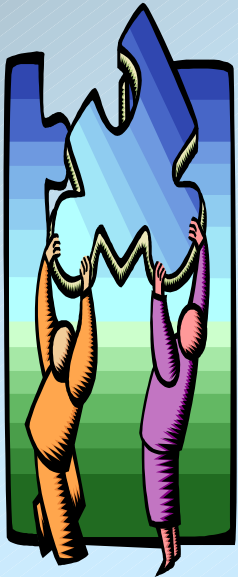
- ◆ 50% or unearned income above the medically needy income level (MNIL) - \$571
  - ◆ 5% of all unearned income
  - ◆ 2.5% of earned income after deducting \$65
- \*cannot exceed 7.5% of total income

***Note: Premiums are waived for American Indian / Alaskan Native populations***

# HWD

## Healthcare for Workers with Disabilities

❖ *What income is counted when calculating the HWD premium?*



- ◆ We count only the income of the individual
- ◆ If both spouses apply, each has own premium
- ◆ We use gross income before taxes taken out
- ◆ We deduct amounts excluded by federal statute

# Premium Calculation

## Step 1

Income	Calculation	Premium
Unearned	\$771.00	
Earned	\$665.00	
<b>Premium calculation</b>		
(Unearned - \$571) x ½	200 x ½	<b>\$100.00</b>
5.0% x Unearned	5% x 771	<b>\$38.55</b>
2.5% x (Earned - \$65)	2.5% x 600	<b>\$15.00</b>
<b>Premium amount</b>		<b>\$153.00</b>

# Premium Calculation

## Step 2

Income	Calculation	Premium
Unearned	\$771.00	
Earned	\$665.00	
<b>Premium calculation</b>		
Total income	\$1,436.00	
7.5% income	$.075 \times 1,436$	<b>\$107.70</b>
Compare to formula	X+Y+Z	<b>\$153.55</b>
<b>Premium amount (lesser of two)</b>		<b>\$107.00</b>

# Spenddown example for comparison

Income	Calculation	Spenddown
Unearned	\$771.00	
Earned	\$665.00	
<b>Spenddown calculation</b>		
(Unearned-\$571) - 20	771-571-20	<b>\$180.00</b>
(Earned-65) – ½	665-65-300	<b>\$300.00</b>
<b>Total</b>		<b><u>\$480.00</u></b>
<b>Spenddown x 3</b>		<b>\$1,440.00</b>

# Premium Calculation

## (Earned Income Only)

Income	Calculation	Premium
Unearned	None	
Earned	\$1,436.00	
<b>Premium calculation</b>		
Earned income - \$65	\$1,371.00	
2.5% of \$1,371	.025 x 1,371	<b>\$34.27</b>
<b>Premium amount (rounded down)</b>		<b>\$34.00</b>

# HWD

## Healthcare for Workers with Disabilities

❖ *How do I apply for HWD?*

◆ Call 1-866-272-7630  
Voice or TTY

❖ *Online information at*

<http://fortress.wa.gov/dshs/maa/Eligibility/HWD.htm>





## Healthcare for Workers with Disabilities



1-866-272-7630



**Kozaksj@dshs.wa.gov**